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**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

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In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric Company
☒ Affects both Debtors

** All papers shall be filed in the Lead Case, No. 19-30088 (DM).*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11
(Lead Case) (Jointly Administered)

**EX PARTE APPLICATION FOR ORDER
PURSUANT TO L.B.R. 9013-1(c)
AUTHORIZING OVERSIZE BRIEFING FOR
REORGANIZED DEBTORS' OBJECTIONS
TO CERTAIN SECURITIES CLAIMS, AND
RELATED RELIEF**

[Related to Docket Nos. 14200, 14203, 14206]

[No hearing requested]

1 PG&E Corporation (“**PG&E Corp.**”) and Pacific Gas and Electric Company
2 (the “**Utility**”), as debtors and reorganized debtors (collectively, the “**Debtors**,” and as reorganized
3 under the Plan (as defined below), the “**Reorganized Debtors**”) in the above-captioned chapter 11
4 cases (the “**Chapter 11 Cases**”), hereby submit this *Ex Parte* Application (the “**Application**”) (a)
5 for an order, pursuant to Rule 9013-1(c) of the Bankruptcy Local Rules for the United States District
6 Court for the Northern District of California (the “**Bankruptcy Local Rules**”), authorizing the
7 Reorganized Debtors to file an oversized brief in connection with (i) the *Reorganized Debtors’*
8 *Thirty-Third Securities Omnibus Claims Objection To PERA and Securities Act Plaintiffs’ TAC,*
9 *Including To Certain Claimants That Adopted The TAC* [Dkt. No. 14200] (the “**PERA**
10 **Objection**”), (ii) the *Reorganized Debtors’ Thirty-Fourth Securities Claims Omnibus Objection To*
11 *Claims Adopting RKS Amendment* [Dkt. No. 14203] (the “**RKS Objection**”), and (iii) the
12 *Reorganized Debtors’ Thirty-Fifth Securities Claims Omnibus Objection To The Baupost*
13 *Amendment*¹ [Dkt. No. 14206] (the “**Baupost Objection**,” and collectively with the PERA
14 Objection and the RKS Objection, the “**Objections**”),² which the Reorganized Debtors filed on the
15 date hereof; and (b) for an order relieving the Reorganized Debtors of the 250-claim limit for
16 omnibus objections set forth in the Securities Omnibus Objection Procedures for purpose of the
17 RKS Objection, thereby allowing the Reorganized Debtors to object to more than 250 claims by
18 way of that objection.

19 MEMORANDUM OF POINTS AND AUTHORITIES

20 I. JURISDICTION

21 The Court has jurisdiction to consider this matter under 28 U.S.C. §§ 157 and 1334, the
22 *Order Referring Bankruptcy Cases and Proceedings to Bankruptcy Judges*, General Order 24 (N.D.
23 Cal.), and Bankruptcy Local Rule 5011-1(a). This is a core proceeding under 28 U.S.C. § 157(b).
24 Venue is proper before the Court under 28 U.S.C. §§ 1408 and 1409.

25
26 ¹ Although the Baupost Objection is under 25 pages, the Reorganized Debtors are requesting this
27 relief because it incorporates the PERA Objection.

28 ² Capitalized terms used but not defined herein have the meanings ascribed to them in the
Objections.

1 **II. BACKGROUND**

2 On January 29, 2019, the Debtors commenced voluntary cases for relief under chapter 11 of
3 the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of California.
4 On June 20, 2020, this Court entered the Order [Dkt. No. 8053] confirming the *Debtors' and*
5 *Shareholder Proponents' Joint Chapter 11 Plan of Reorganization Dated June 19, 2020*
6 [Dkt. No. 8048] (as it may be amended, modified, or supplemented and together with any exhibits
7 or schedules thereto, the “**Plan**”). The Plan became effective on July 1, 2020 [Docket No. 8252] (the
8 “**Effective Date**”).

9 **III. ISSUES ADDRESSED IN THE OBJECTIONS**

10 The Objections address the merits of lengthy allegations in pleadings incorporated into proofs
11 of claim filed by certain holders of securities claims.

12 The Objections describe the factual and procedural background of these securities claims, and
13 present detailed arguments showing the claimants’ failure to state claims under both the Securities
14 Exchange Act of 1934 (the “**Exchange Act**”) and the Securities Act of 1933 (the “**Securities Act**”).
15 These include arguments relating to falsity, scienter, loss causation, reliance, statutory damages,
16 statutes of limitations, and other areas of securities law. Each issue requires close analysis and detailed
17 application of the law to the facts asserted by the claimants—especially considering that the allegations
18 implicate PG&E’s public disclosures over a 3.5 year period.

19 The RKS Objection and the Baupost Objection, which incorporate the PERA Objection,
20 address additional allegations and/or claims raised in the RKS Amendment and the Baupost
21 Supplemental Proof of Claim, respectively.

22 **IV. OVERSIZED BRIEFING FOR THE OBJECTIONS IS WARRANTED**

23 Bankruptcy Local Rule 9013-1(c) provides that, “[u]nless the Court expressly orders
24 otherwise, the initial and response memoranda of points and authorities shall not exceed 25 pages of
25 text, and reply memorandum shall not exceed 15 pages of text.” B.L.R. 9013-1(c).

26 The Reorganized Debtors submit that sufficient cause exists for the Court to allow oversized
27 briefing for the Objections. As set forth above, additional briefing is necessary to thoroughly address
28 the relevant legal and factual issues. PERA’s Third Amended Complaint, which is the subject of the

1 PERA Objection, is 216 pages long and contains 706 paragraphs of allegations and claims. The RKS
2 Amendment that is the subject of the RKS Objection is 194 pages long and contains 673 paragraphs
3 of allegations and claims. And the Baupost Supplemental Proof of Claim, which is the subject of the
4 Baupost Objection, is 26 pages long and contains 42 paragraphs of allegations.

5 Oversized briefs for motions to dismiss complaints of similar length are common in securities
6 actions, and particularly so where the claimants assert securities claims based on both equity and debt
7 that require analysis of both the Exchange Act and the Securities Act, respectively. The District Court
8 Action is informative here. There, the officer defendants filed a 35-page motion to dismiss that
9 addressed only the equity claims brought under the Exchange Act, *in re PG&E Corp. Sec. Litig.*, 5:18-
10 cv-03509-EJD, ECF No. 149, and the director and underwriter defendants filed a separate 35-page
11 motion to dismiss that addressed only claims brought under the Securities Act, *id.*, ECF No. 155. In
12 other words, briefing both the Exchange Act and Securities Act claims required 70 pages. Here, given
13 that the Reorganized Debtors are moving as to *both* Exchange Act and Securities Act claims, some of
14 which are new claims not previously asserted in the District Court Action, and that the Reorganized
15 Debtors are raising certain claimant-specific defenses (while the officers, directors, and underwriters
16 raised defenses as to a single putative class), it is appropriate for the Reorganized Debtors to receive
17 relief to file briefs of lengths greater than those filed by the officer, director, and underwriter
18 defendants in the District Court Action. Accordingly, the extension to the page limit requested in this
19 Application is necessary and reasonable and the Reorganized Debtors respectfully submit that no party
20 will be prejudiced by this request.

21 The Court has granted similar relief to the Reorganized Debtors and other parties in these
22 Chapter 11 Cases. *See e.g.*, Dkt. No. 5849 (Solicitation Procedures Motion); Dkt. No. 5461 (PERA
23 Rule 7023 Motion); Dkt. No. 4410 (Debtors' Subrogation Claims Settlement and RSA Motion); Dkt.
24 No. 3511 (Debtors' Wildfire Claims Estimation Motion). Further, in consideration of the paramount
25 interests of all creditors in these Chapter 11 Cases, the Court has regularly allowed oversize briefing
26 for matters involving the claims resolution process. *See* Dkt. No. 5849 (Solicitation Procedures
27 Motion); Dkt. No. 2718 (Debtors' Bar Date Motion); Dkt. No. 5461 (PERA Rule 7023 Motion); Dkt.
28

1 No. 13812 (Reorganized Debtors' Reply in Support of Sixth Motion to Extend Time to Object to
2 Claims).

3 Accordingly, the Reorganized Debtors believe it is appropriate to request authority for the
4 Objections to exceed the twenty-five pages allowed under Bankruptcy Local Rule 9013-1(c).

5 **V. RELIEF FROM THE LIMIT OF 250 CLAIMS PER OMNIBUS OBJECTION IS**
6 **WARRANTED**

7 The RKS Objection seeks the disallowance of 761 claims that all adopted the RKS
8 Amendment. Pursuant to Paragraph I.B of the Securities Omnibus Objection Procedures, the
9 Reorganized Debtors may object to up to 250 Securities Claims per Omnibus Objection. In this case,
10 the interests of the parties and the Court will be served by granting the Reorganized Debtors relief
11 from that 250-claim limit, and allowing the RKS Objection to seek disallowance of the greater than
12 250 claims that adopted the RKS Amendment. The majority of the arguments set forth in the RKS
13 Objection apply to all such claims, and there is no reason to require the filing of multiple identical
14 omnibus objections. Counsel for the Reorganized Debtors confirmed that counsel for the RKS group
15 of claimants do not object to this request, and the handful of non-RKS claimants that adopted the RKS
16 Amendment will suffer no prejudice from granting the requested relief.

17 **VI. NOTICE**

18 Notice of this Application will be provided to: (i) the Office of the U.S. Trustee for Region 17
19 (Attn: Andrew R. Vara, Esq. and Cameron M. Gulden, Esq.); (ii) counsel for the parties who are
20 respondents to the Objections; (iii) all counsel and parties receiving electronic notice through the
21 Court's electronic case filing system; and (iv) those persons who have formally appeared in these
22 Chapter 11 Cases and requested service under Bankruptcy Rule 2002. The Reorganized Debtors
23 respectfully submit that no further notice is required.

24 No previous request for the relief sought herein has been made by the Reorganized Debtors to
25 this or any other court.

26 **WHEREFORE**, the Reorganized Debtors respectfully request entry of an order
27 (a) authorizing the Reorganized Debtors to file and serve the following, in excess of twenty-five pages
28 (exclusive of any schedules or exhibits thereto and/or any declarations filed in connection therewith):

1 (i) the PERA Objection, not to exceed ninety-five pages, (ii) the RKS Objection, not to exceed thirty-
2 five pages, and (iii) the Baupost Objection, not to exceed twelve pages; (b) authorizing the
3 Reorganized Debtors to object to more than 250 claims by way of the RKS Objection; and (c) awarding
4 such other and further relief as the Court may deem just and appropriate.

5
6 Dated: December 13, 2023

7 **WEIL, GOTSHAL & MANGES LLP**
8 **LATHAM & WATKINS LLP**
9 **KELLER BENVENUTTI KIM LLP**

10 By: /s/ Joshua G. Hamilton
11 Joshua G. Hamilton

12 *Attorneys for Debtors and Reorganized Debtors*
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